LEO DROZDOFF. Administrator

(775) 687-4670 Administration Facsimile 687-5856

Water Quality Planning Water Pollution Control Facsimile 687-4684

Mining Regulation & Reclamation Facsimile 684-5259

State of Nevada
KENNY C. GUINN
Governor

ALLEN BIAGGI, Director

Air Pollution Control Air Quality Planning Facsimile 687-6396

Waste Management Federal Facilities

Corrective Actions Facsimile 687-8335 NDEP.nv.gov

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

DIVISION OF ENVIRONMENTAL PROTECTION

333 W. Nye Lane, Room 138 Carson City, Nevada 89706

July 18, 2005

Notice of Intent

The Administrator of the Division of Environmental Protection gives notice that an application for a Reclamation Permit for a Exploration Project for the Fire Creek Exploration project has been properly filed with the Division of Environmental Protection in Carson City. The applicant for Permit # 0241 is:

Klondex Mines, Ltd. 580 Hornby Street, Suite 600 Vancouver, B.C. Canada V6C3B6

This project, will be located within Lander County, and is in portion(s) of Secs. 9, 10, 14, 15, 22 & 23, T.30N., R. 47E. M.D.B. & M, approximately six miles from the community of Crescent Valley, Nevada. This plan is an expansion of the existing notice-level activities. The project area includes all existing and future phase disturbance culminating in up to 50 acres of disturbance.

The Administrator is constrained to issue the reclamation permit or to deny the application. The Administrator has made the tentative decision to issue the reclamation permit.

Persons wishing to submit written comments or information on the tentative decision, must do so in writing no later than by 5 PM on August 19, 2005. Any person who is directly affected by the application for a permit may request, in writing, a public hearing on the application for a permit. The request must state the reason for the request and the issues to be raised at the hearing. This request must be submitted, in writing, no later than by 5 PM on August 19, 2005.

Nevada Division of Environmental Protection Bureau of Mining Regulation and Reclamation 901 South Stewart Street, Suite 4001 Carson City, Nevada 89701-5249

All comments or objections received during the public notice period will be considered in the final determination regarding this application. If the Division determines written comments or requests are reasonable and indicate a significant degree of public interest in this matter, the Administrator shall schedule a public hearing in accordance with the requirements of NAC 519A.200. The Division will accept written comments in the form of facsimile, e-mail, or by mail. The comments may also be hand delivered.

The permit application and all application documents are on file at the Division and are available for public inspection and copying pursuant to NRS Chapter 239.010. For more information contact Todd Suessmith at (775) 687-9412, or toll free in Nevada (800) 992-0900, select option 2 for State Operator, then ask for 687-9412 or visit the Bureau's website at http://ndep.state.nv.us/bmrr/bmrr01.htm.